

THE WHITE HOUSE

WASHINGTON

TOP SECRET/SENSITIVE

February 17, 1969

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Situation in Peru

ON-FILE NSC RELEASE
INSTRUCTIONS APPLY

State Dept.
review completed

FROM: H. A. Kissinger /K

In order to enable you to assess whether a special emissary to Peru would help or hinder the prospect for a coup, [REDACTED]

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[REDACTED] Opposition power is apparently centered in the hands of Prime Minister Montagne who reportedly has the support of Peruvian sugar interests who stand to lose heavily if U.S. sanctions are imposed. Reportedly, Montagne has also been assured by the Leftist Aprista Party that Aprista would support a coup provided elections are forthcoming at some unspecified date following the coup.

Another event which has helped to crystallize opposition against Velasco is the reportedly disappointing outcome of the recent Soviet Trade Mission to Lima which departed Peru without providing any real assurances of Soviet trade or aid support.

Montagne has remained extremely cautious, however. Moreover, at their last confrontation in January, Montagne lacked either the will or the muscle to oust Velasco. At that time, the armored unit of the Army garrison in Lima -- the pivotal force in any coup attempt -- stuck with Velasco.

On balance, it appears that we should permit nature to take its course [REDACTED] while keeping our lines open in the event the opportunity presents itself. In the interim, we should consider overt measures designed to impress upon Velasco and the Peruvian Government the inevitable consequences of the mandatory application of the Hickenlooper Amendment and the Sugar Act of 1948 unless some form of meaningful dialogue can begin promptly between our two governments.

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Perhaps our best hope for impressing Velasco and the Peruvian Government rests with the dispatch of a special emissary thereby affording Velasco a face-saving formula for the beginning of a dialogue. This course of action also involves high risks, including a misreading of our motives as weakness by Velasco or other Latin American republics or a distortion of the visit by Velasco to support complaints that he is being bullied by the U.S. Either turn could impinge unfavorably on the prospects of a coup. Thus, the dispatch of a special emissary should only be undertaken after Ambassador Jones has had an opportunity to lay the necessary foundation.

I will discuss these risks and the timing of such a mission with Secretary Rogers today with the view towards having firm recommendations for your approval by Wednesday.

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CENTRAL INTELLIGENCE AGENCY

WASHINGTON, D. C. 20505

OFFICE OF THE DIRECTOR

16 February 1969

MEMORANDUM FOR: Dr. Kissinger

Forwarded herewith, pursuant to your request of this morning through Mr. Eagleburger, is a memorandum on dispatch of a Presidential emissary to Peru. Although Mr. Helms has not seen the memorandum, I have discussed it with him by telephone.

A handwritten signature in dark ink, appearing to read "T. Karamessines".

Thomas H. Karamessines
Deputy Director for Plans

16 February 1969

MEMORANDUM

SUBJECT: Dispatch of Presidential Emissary to Peru

1. The sending of a Presidential emissary to Peru would have as its primary purpose to impress the Peruvian Government with the inevitable consequences of the mandatory application of the Hickenlooper amendment and the Sugar Act of 1948 unless some form of meaningful dialogue can begin promptly between our two governments. There are pros and cons to this course of action, but the pros would seem to outweigh the cons.
2. It is assumed that such an emissary would be dispatched only after Ambassador Jones has had an opportunity to lay the necessary foundation with the Government of Peru and with other power centers there, and to insure that the President's special representative would be received and heard by General Juan Velasco Alvarado and his associates. It is also assumed, consequently, that Ambassador Jones is in the best position to gauge the timing for such a visit, although it is understood that the visit should take place as soon as feasible if it is not to appear as a panic move by the United States Government on the eve of the April 9 deadline.
3. The risks and related considerations of such a move are the following:
 - a. Unless the move is accompanied by a clear public statement that the purpose of the mission is to insure that the Peruvian Government is fully apprised of the mandatory aspects of the Hickenlooper amendment and that it is not a mission to resolve the fishing rights controversy, it can be publicly distorted by Velasco as a sign of weakness. He is fully capable of making false public statements, after the event, as to the purpose of the mission. It would be essential to prevent this by advance publicity on our part.
 - b. Velasco can seize upon such a visit to support his demagogic complaints that he is being bullied by the U.S. and can turn this into

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heroic claims for himself, if the visit is not carefully arranged and carried out.

c. Over and above these considerations, however, must be the concern that the dispatch of a special emissary could be interpreted elsewhere in Latin America as faltering on our part. Any sign of weakness would prejudice the American position in a number of other Latin American countries.

4. On balance, the dispatch of a special emissary, properly prepared by Ambassador Jones and handled in a dignified manner which will afford Velasco a face-saving formula for the beginning of a dialogue, would appear desirable. He must be most disappointed in what the Soviets appear to have had in mind with respect to trade and aid; the opposition to him in critical power centers in Peru is reportedly jelling; he probably is aware of the reports that military leaders have reached or are attempting to reach an understanding with the Aprista Party against him; the future must look somewhat troublesome. Under these circumstances, the sending of a special emissary to insure he understands the consequences of the present course of events and to urge the initiation of the kinds of discussions, especially of the IPC problem, which could lead to broader understandings and avoid application of the Sugar Act and the Hickenlooper amendment, might well offer Velasco a face-saving out.

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